Unclassified

AFI 64-117
Air Force Government-Wide Purchase Card Program
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CHAPTER 1
PURCHASE CARD PROGRAM OVERVIEW

- **Commercial purchase card for military members and federal civilian employees to pay for official government purchases.**

- **Procedures supplement the cardholder guide provided by US Bank and take precedence in case of a conflict.**

- **GPC is based on a six-level reporting hierarchy:_**

Chapter 1

- **Level 4 -- Installation Purchase Card Program Manager**
- **Level 5 -- Billing Official**
- **Level 6 -- Cardholder**

CHAPTER 2
AUTHORIZED AND UNAUTHORIZED USAGE OF THE GOVERNMENT PURCHASE CARD PROGRAM

- **Used to pay for authorized US government purchases with <u>appropriated funds.</u>**

- **As a general rule, if appropriated funds were not legally available for a procurement before the advent of the purchase card, they are not legally available now.**

Chapter 2

- **Consult local Financial Services Office (FSO) and/or legal office regarding proper use of appropriated funds**
- **Used to purchase authorized supplies, equipment, and non-personal services up to micropurchase threshold - currently $2500.**
- **Non-personal services can be divided into recurring and non-recurring services**
- **Splitting a requirement into individual transactions in order to use the purchase card is not permitted.**

Chapter 2

- **Above the micropurchase threshold, GPC shall not be used except as the ordering mechanism against Blanket Purchase Agreements (BPAs) or GSA schedules which will allow a single purchase limit of $25,000**
  - **Purchases from pre-priced contracts/agreements require cardholder to review prices on at least three contracts/agreements and select the best value. Maintain documentation with purchase log.**
  - **Single Purchase Limit - JWOD -- $2,500**
  - **Single Purchase Limit - FPI -- $25,000**
  - **Single Purchase Limit - GSA -- $2,500**
  - **Federal Supply Schedule - $25,000**

Chapter 2

- **GPC may be used to purchase from AAFES and all other NAFIs. These sources are not mandatory or preferred**

- **Defense Automated Printing Services (DAPS) has a single purchase limit of $100,000**

- **Pay Civilian Personnel Management Service, Office of Complaint Investigations, flat fee charge for EEO investigations**

- **<u>Purchases Requiring Authorization</u> -- Contact the specified controlling/servicing organization before making the purchase (log must be documented).**
  - **Hazardous and Potentially Hazardous Materials -- Need MSDS -- Contact HMMPTeam in CE**
  - **Communication and Computer Equipment and Software -- Need CSRD -- Contact Communication Squadron**
  - **Telephone Instruments, Cell Phones, and Expansion Plug-In Cards -- Contact Communication Squadron -Cannot purchase secure telephones**

Chapter 2

- **Medical Items -- Contact Base Medical Logistics Officer**
- **Paid Advertisements -- Refer to appropriate authority in FAR 5.502**
- **Visual Information, Electronic Digital Imaging and Video Equipment and Services -- Contact Base Visual Information Manager (BVIM)**
- **Test, Measuring, & Diagnostic Equipment (TDME) or Calibration Support -- Contact Precision Measurement Equipment Laboratory ({PMEL) for WRITTEN approval**

Chapter 2

- **Rental/Lease of Material Handling Equipment/Fleet Motor Vehicles -- Contact Chief of Transportation**
- **Rental/Lease of Materials Handling Equipment or Aircraft Support Equipment -- Contact Appropriate Group/Deployed Commander**
- **Centrally Managed Items Related to Weapon Systems -- Contact Weapon System's Program Director (SPD)**
- **Construction -- Contact Base Civil Engineer; Limited to $2,000 and requires approved AF Form 332**
- **Civil Engineer Materials and Real Property (Installed Equipment) -- Contact Base Civil Engineer**

Chapter 2

- **Morale, Welfare, and Recreation Items -- Contact Local Services Squadron/Division. Refer to AFI 64-117, Para 2.2.13, for specific guidance.**
- **Bird Aircraft Strike Hazard (BASH) Program -- Approval must be in WRITING-- Refer to para 2.2.14 for written approvals.**

Chapter 2

- **PURCHASES REQUIRING CORDINATION/REVIEW**
  - **Non-expendable (Budget Code 9 Equipment**
    - **Over $2,500 -- Equipment custodian must contact Base Supply to establish accountability records**
    - **Under $2,500-- Unit commanders establish a program to provide visibility and audit trail capability**
  - **Repair Services for General Equipment -- Work with Unit Equipment Custodian and contact 45 CONS**
  - **Books, Periodicals and Manuals -- Contact Base Library**
  - **Professional Services -- Contact 45 Cons**

Chapter 2

- **Business Cards -- Recruiting and liaison personnel listed in AFI 65-601without required approvals. All others refer to AFI 64-117, para 2.3.5, for proper approvals.**
- **Payment for Domestic Express Next Business Day Small Package Delivery Service Contract -- Contact 45 TRANS for instructions to set up individual accounts with Federal Express**

- **UNAUTHORIZED USE OF THE GPC**
  - **Cash Advances and Money Orders**
  - **Travel Related Purchases**
  - **Rental or lease of land or buildings exceeding 30 days**
  - **Petroleum products for aircraft or motorized vehicles. Oil and lubricants to support base maintenance shops may be purchased.**
  - **Repair of Leased Vehicles**
  - **Purchase of Major Telecommunications Systems**
  - **Purchase of hazardous/dangerous items such as explosives, munitions, toxins, and firearms**

Chapter 2

- **Unauthorized Use of GPC - Cont'd**
  - **Janitorial, grounds and maintenance services, or other repairs covered by contracts already written for these services on base.**
  - **Printing, copying services, or copier services provided by commercial sources unless government support is unavailable**
    - **Print Plant Single Purchase Limit -- $100,000**
    - **DAPS Manager must authorize use of a commercial source and purchase log must be documented**
    - **Commercial Single Purchase Limit -- $2,500**
    - **Splitting requirements to stay under $2,500 is prohibited**

- **Unauthorized Uses of GPC – Cont'd**
  - **Personal Services**
  - **Construction Services Exceeding $2,000**
  - **Gifts**
    - **Retirements, Farewells, etc**
    - **Food/beverages for organizational functions (commander's calls, picnics, parties, awards programs)**
    - **Cash Incentive Awards**
    - **Promotional Items for conferences, meetings, and symposia (coins, mugs, coasters)**
  - **Ratification Actions**

- **Unauthorized Uses of GPC - Cont'd**
  - **Purchases of Controlled Cryptographic Items -- this includes secure telephones**
  - **Budget Code 8 XD/XF Items -- Managed weapon system parts**
  - **Utility Services -- Includes electricity, gas, water, phone, waste removal and cable services**
    - **Exception -- Cell Phone Service**

Chapter 2

- **Use of GPC by OCONUS Units**
  - **Must be feasible and cost effective**
  - **Single purchase limit is $25,000**
  - **Refer to AFI 64-117, 2.5, for specific guidance**

- **Use of GPC to Support Contingency/Exercise Operations**
  - **Contact 45 CONS/LGCPB to establish this type account**

- **Use of GPC by Government Contractors**
  - **Not authorized by AFI 64-117**

Chapter 2

- **Authorized Use of GPC by Geographically Separated Units**
  - **Located more than 50 miles from the base of support**
  - **See AFI 64-117, 2.7, for exact guidance**

- **Authorized Use of GPC by Tenant Organizations**
  - **Tenant funds must be managed of Patrick's FSO**
  - **Paying station will be Patrick FSO**

- **Use of GPC for Environmental Protection Agency (EPA)**
  - **Refer to AFI 64-117, 2.10, and/or appropriate web sites**

Chapter 2

- **Use of GPC for Training, Education, and Tuition Assistance**
  - **Non-government and/or government off-the-shelf training and education up to $25,000 for an individual event or planned series of the same training event, activity, service, or course material**
  - **Need approved DD Form 1556 from the Education and Training Office PRIOR to making the purchase**
  - **Training CANNOT be specifically developed, designed, or produced to meet a requirement unique to an organization and/or program**
  - **GPC does not replace the DD 1556 or other appropriate training form as a procurement and/or authorization document**

CHAPTER 3
ESTABLISHING A GOVERNMENT PURCHASE CARD ACCOUNT

- **Letter of Appointment**
  - **Designates proposed cardholders and billing officials**
  - **Signed by commander or chief of requiring activity**
  - **Describe types of purchases to be made**
  - **Identify name, rank, duty telephone number, and duty mailing address of cardholder(s) and billing official(s)**
  - **Include specific 12B account number**

Chapter 3

- **Limits -- Established with the bank as requested by the cardholder's organization**
  - **Single Purchase Limit -- $2,500 for most purchases**
    - **Exceptions:**
      - **Federal Prison Industries -- $25,000**
      - **Federal Supply Schedules -- $25,000**
      - **Government Print Plant -- $100,000**
  - **Monthly Cardholder Limit --Established by the billing official and can be changed as often as necessary**
  - **Funding Document Limit -- Established on AF Form 4009 by the billing official in coordination with and certified by the FSO**

Chapter 3

- **Merchant Activity Type -- Based on the type of purchases to be made by cardholders**

- **Account Set-Up**
  - **GPC office applies to bank for each purchase card**
  - **Contracting Squadron Commander will issue a letter of delegation authority citing specific limits**

- **Receipt of Card**
  - **Mailed directly to the cardholder**
  - **Activate card as soon as received through the Voice Response Unit**

Chapter 3

- **Convenience Check Accounts**
  - **Provide an alternative ONLY when use of GPC is not feasible**
  - **All management controls, procedures, and restrictions included in this AFI also apply to the use of checks**
  - **Use a separate purchase log for check accounts**
  - **Check accounts are separate from card accounts**
  - **Authority to maintain an account shall be justified on an individual organization basis**
  - **Only one checkbook per organization**
  - **Billing Official reviews checkbook accounts quarterly**
  - **$2,500 Single Purchase Limit -- NO EXCEPTIONS**

- **Convenience Check Accounts - cont'd**
  - **Shall not be issued as an "exchange-for cash" to establish cash funds**
  - **Program fee is 1.7% of the face value of the check and is deducted from the funding document balance**
  - **Check writer is responsible for lost checks**
  - **Check writer captures TD Form 1099 data for services paid by check to report to Internal Revenue Service**
  - **Checks must be stored in locked containers**
  - **Accounts shall be under the custody of an individual who IS NOTresponsible for the origination, approval and/or processing of the requirement for a check**

- **Convenience Check Accounts - cont'd**
  - **Supplies or services must be available for delivery or pick up within 15 days**
  - **Prohibited Purchases -- Salaries and Wages, Travel or Other Advances, Travel Claims, Public Utility Bills (See Para 3.6.5 for complete list of prohibitions)**
  - **Has no Dispute Process -- Check writer is solely responsible**
  - **Stop Payment Fee is $25**

CHAPTER 4
RESPONSIBILITIES AND PROCEDURES FOR GOVERNMENT PURCHASE CARD OPERATIONS

- **SAF/AQCO is the Air Force Agency Program Coordinator**
- **Installation Commander or equivalent shall have overall responsibility for the operation of the GPC program**
- **Installation Commander or Contracting Squadron Commander has authority to suspend or terminate purchase card privileges of cardholders and billing officials**
- **45 CONS Commander delegates contracting authority in writing to cardholders to use the GPC**

Chapter 4

- **Installation Purchase Card Program Manager**
  - **Responsible for operation of the installation's purchase card program to include --**
    - **Process purchase card applications**
    - **Issue delegation of contracting authority**
    - **Provide mandatory training and surveillance**
    - **Act as point of contact with US Bank for GPC issues**
    - **Receive certified funding documents from FSO**
    - **Initiate revocation/suspension of GPC privileges for a cardholder or billing official who violate GPC rules**
    - **Maintain current listing of all cardholders and billing officials under our jurisdiction**

Chapter 4

- **GPC training is required for cardholders, billing and alternate billing officials prior to the establishment of a purchase card account**

- **Cardholders and billing officials sign a training statement which certifies they have received training, they understand the training, and they understand penalties associated with misuse of the card.**
  - **Copies of training statements are retained by the GPC Manager and the billing officials**
  - **Tax exempt number is on the training statement**

Chapter 4

- **Required Training Areas**
  - **Internal Operating Procedures -- AFI 64-117**
  - **Required Sources of Supply and Order of Precedence as prescribed in FAR, Part 8 and DFARS, Part 208**
  - **Pre-priced Blanket Purchase Agreements (BPAs)**
  - **Competition and Price Reasonableness**
  - **Documentation**
  - **Split Requirements**
  - **Distribution of Purchases Among Qualified Suppliers**
  - **Use of Warranties/Extended Service Agreements**
  - **Procurement Ethics**
  - **Contracting Support**

Chapter 4

- **Violation of AF Purchase Card Procedures**
  - **Violations may be found through review of monthly reports, surveillance, or other means**
  - **45 CONS Commander may notify the affected unit commander of the violation**
  - **GPC account may be temporarily suspended**
  - **Retraining may need to be accomplished**

- **Card Reissue -- Every 24 months to active cardholders**

Chapter 4

- **Purchase Card Surveillance**
  - **Billing Officials shall review**
    - **100% of cardholder accounts every 12 months**
    - **100% of convenience check accounts quarterly**
    - **Surveillance Guide -- Attachment 4**
  - **GPC Manager will survey every 12 months:**
    - **All billing official accounts**
    - **Randomly, 25% of each billing officials' cardholders**
  - **Surveillance results are forwarded to the organization commander, billing official, and cardholder**
  - **Surveillance results are also retained by the GPC Manager**

Chapter 4

- **Base Closure -- GPC use should be terminated three months prior to a base being closed**

- **Expedited Card Applications -- Alert GPC Manager at time of setting up account -- Cards arrive in 5 days**

- **Billing Official**
  - **Same chain of command as the cardholder**
  - **Can’t be a billing official and cardholder on the same account**
  - **Alternate billing official shall also be appointed to act in absence of the billing official**

Chapter 4

- **Billing Official Responsibilities**
  - **Initiate basic fiscal year AF 4009 and changes thereto**
  - **Establish single purchase, monthly purchase, and card purchase limits**
  - **Ensure established limits are not exceeded**
  - **Direct GPC manager to cancel cards or make other changes to the account**
  - **Obtain and review cardholder monthly statements**
  - **Verify transactions were appropriate IAW AFI 64-117**
  - **Sign monthly Billing Account Statement, confirming it correct, and forward to FSO within 15 days of receipt**
  - **Retain a copy of each monthly invoice**

- **Billing Official Responsibilities – Cont'd**
  - **Retain all records IAW AFMAN 37-139, Table 64-1, Rule 26, and FAR 4.805(b)(10)**
  - **Submit a written report (e-mail acceptable) for lost or stolen cards through the GPC manager to the MAJCOM/FOA/DRU Program Coordinator within 5 workdays. See AFI, Para 4.3.4.1.5, for required information.**

Chapter 4

- **Cardholder**
  - **Purchase card bears your name and shall be used only by you for authorized US Government purchases**
  - **May be liable to the government for the total amount of unauthorized purchases made in connection with misuse or negligence**
  - **Must ensure purchase limits are not exceeded**
  - **Single purchase may be comprised of multiple items**
  - **Do not make repeat buys of the same item to avoid the $2,500 and $25,000 purchasing/ordering limits**
  - **Use the “just-in-time” buying philosophy**
  - **Seek advice from 45 CONS how to obtain repetitive buy items and/or services**

- **Cardholder – Cont'd**
  - **Maintain monthly purchase log of all purchases to include documentation to support questionable or unique buys. Requestor's name is mandatory.**
  - **Ensure vendor does not bill card before item or service is received by cardholder.**
  - **Notify vendor of tax exempt status**
  - **Use only firm-fixed price transactions**
  - **Ensure use of mandatory and preferred sources of supply**
  - **Rotate sources when practical**
  - **Ensure a reasonable price is paid**

Chapter 4

- **Cardholder - Cont'd**
  - **Certify quantity and quality of items or services received -- Get what you pay for!!**
  - **Obtain functional area approvals (CE, DAPS, 45 CS)**
  - **Comply with Affirmative Procurement Program**
  - **Give vendor complete shipping address as items purchased with GPC are delivered to YOU**
  - **Take advantage of manufacturer/retailer rebates**
  - **Reconcile monthly statement of account with purchase log, receipts and other documentation. Enter a brief description of each purchase on the statement.**
  - **Submit Questioned Item Form when necessary**

Chapter 4

- **Cardholder - Cont'd**
  - **Sign statement, purchase log, and forward with other documentation to billing official within three work days of receipt**
  - **Surrender card to billing official 30 days prior to separating so account can be cleared**

- **Security -- A CARDHOLDER SHALL NOT ALLOW ANYONE TO USE HIS OR HER GOVERNMENT PURCHASE CARD OR ACCOUNT NUMBER.**

- **Lost/Stolen Cards - GPC is considered to be Government property. Notify bank, billing official, and Security Forces immediately. Bank can be notified 24 hours a day.**

- **Purchase Card Rebates**
  - **Provided by US Bank as credits to billing accounts**
  - **Amount is based on sales and prompt payment**
  - **Issued each quarter**

- **Cost Distribution -- Routine purchases should be charged to a single line of accounting**

- **Bank's Functions/ Responsibilities under GSA Contract**
  - **Emergency Account Set-Up**
  - **Routine Card Distribution**
  - **Replacement of Lost or Stolen Cards**

- **Bank's Functions - Cont'd**
  - **Reissue cards every 24 months**
  - **Issue Cardholder Statement of Account**
  - **Issue Official Invoice**
  - **Prepare Monthly and Quarterly Reports**
  - **Provide Customer Service -- 24 hours per day, 365 days a year**

  - **AIR FORCE BILLING CYCLE ENDS 25th OF EACH MONTH**

POINTS OF CONTACT

- **Col Stephen Smith - 45 Cons Commander, 494-6971**
- **Dolores Faisca - GPC Program Manager, 494-2194**
- **Cindy Rael - Alternate GPC Program Manager, 494-9509**
- **45 CONS/LGCPB**
- **Fax - 494-6388**